Briefs

Field Crops

Corn & Soybean Plantings Change Little From Spring Intentions

Planted area for the eight major U.S. field crops (corn, sorghum, barley, oats, soybeans, wheat, cotton, and rice) is expected to total 249.1 million acres in 2002, up from 248.2 million last year. Increases in corn, wheat, barley, and oats are partially offset by decreases in soybeans, cotton, rice, and sorghum. 2002 hay area is expected to increase more than 1 million acres to 64.7 million.

Estimates of planted and harvested area in USDA's *Acreage* report are based on surveys conducted during the first 2 weeks of June. Compared with USDA's March 28 *Prospective Plantings* report, which indicated farmers' crop intentions for spring plantings in 2002, planted area for the eight major field crops is up 782,000 acres due to increases in wheat, sorghum, and soybeans. Acreage for cotton, corn, oats, barley, and rice are down from March intentions.

Corn plantings in 2002 are estimated at 78.9 million acres, up more than 3 million acres from 2001 but only slightly lower than March intentions. Biotech varieties are expected to be grown on 34 percent of this corn area, up from 26 percent in 2001. The increase in corn acreage is caused by higher expected returns, crop rotation needs, and lower input costs for corn production. A year ago, high nitrogen fertilizer costs induced some farmers to shift acreage into soybeans, but this is not an issue in 2002. Also, the 2002 Farm Act raised corn loan rates and lowered soybean loan rates. Although the legislation didn't pass until after many farmers made planting decisions, the change in loan rates was widely expected.

Corn farmers in the 7 major states (Illinois, Indiana, Iowa, Minnesota, Nebraska, Ohio, and Wisconsin) planted 51.8 million acres, an increase of 3 percent from last year. Illinois, Minnesota, and Iowa showed the largest increases in planted acreage. Dry weather provided good planting conditions for farmers in the western Corn Belt and central Plains, but eastern Corn Belt farmers faced planting delays due to excessive moisture. Conditions were particularly bad in Indiana and Ohio. Many analysts expected corn area to be lower than estimated in the June report with more acreage planted to soybeans. Germination and emergence were hampered throughout the Corn Belt due to excess moisture in the east and cold temperatures in the west. As of July 15, 49 percent of the corn crop was rated good to excellent, down from 65 percent for the same period a year earlier.

Soybean acreage is down from last year for many of the same reasons that corn acreage is up. 2002 soybean area is estimated at 73 million acres, down 1.1 million from last year but virtually unchanged from March intentions. Biotech varieties are expected to be grown on 75 percent of this area, up from 68 percent in 2001. Total soybean acres were down in 2002 because of lower input costs for corn production and expectations for a lower loan rate relative to corn. Acreage decreases were mainly in the western Corn Belt, central Plains, Great Lake States, and Atlantic Coast. Acreage increased in the eastern Corn Belt, and across the South. Area would likely have been lower in the eastern Corn Belt, but excessive moisture made corn planting difficult and many farmers shifted to soybeans.

Total planted **wheat** area is estimated at 60 million acres in 2002, up less than 1 percent from 2001. Compared with intentions reported in the March *Prospective Planting* report, plantings are up more than 1 million acres for all wheat—up 286,000 acres for winter wheat, down 82,000 acres for Durum, and up 877,000 acres for other spring wheat. This follows a long-term trend of declining U.S. wheat area, particularly winter wheat. Producers plan to harvest 47.6 million wheat acres, down 2 percent from 2001. Drought conditions in the Plains are another important factor for the 2002 crop and will likely lead to greater abandonment. Partly because of increased abandonment, 2002 is forecast to have the smallest winter wheat harvested area since 1917.

Cotton plantings in 2002 are estimated at 14.4 million acres, down 1.4 million acres from a year earlier and 355,000 acres from March intentions. Biotech varieties are growing on an estimated 71 percent of this area, up from 69 percent in 2001. Low cotton prices relative to competing crops–especially corn and soybeans—are the main factor behind the acreage drop. Other important factors are changes in revenue insurance from a year earlier that make the crop insurance program less attractive for cotton, and uncertainty (at planting time) about payment limits associated with the 2002 Farm Act.

The main acreage reductions were in the Delta states, California, and Arizona. 2002 cotton acreage in the Delta (Arkansas, Louisiana, Mississippi, Missouri, and Tennessee) is estimated at 3.73 million acres, down 865,000 acres from a year earlier. 2002 California and Arizona acreage is estimated at 932,500 acres, down from nearly 1.2 million last year. Southeastern (Alabama, Florida, Georgia, North Carolina, South Carolina, and Virginia) cotton acreage is estimated at 3.57 million acres, down 1 percent from 2001. Acreage in Texas, Oklahoma, Kansas, and New Mexico is estimated at 6.19 million acres, down 3 percent from a year earlier.

U.S. **rice** plantings for 2002 were reported at 3.25 million acres, down 84,000 from a year earlier. Arkansas, the largest rice producing state, accounted for the bulk of the decline. Plantings were also reported smaller than a year earlier in Louisiana and Texas. In contrast, producers in California, Mississippi, and Missouri expanded rice acreage this year. Total U.S. rice plantings are down 72,000 acres from March intentions, with long grain—grown almost exclusively in the South—accounting for all of the decline. Estimated combined medium/short grain plantings were 35,000 acres higher than March intentions.

Long grain also accounts for the entire year-to-year decline in U.S. rice plantings. This is mainly due to very low long grain prices but relatively strong medium and short grain prices. Long grain prices

declined throughout the 2001/02 market year to the lowest point in 15 years. In contrast, medium/short grain prices have strengthened since August and are more than 40 percent higher than long grain prices. The June survey reported long grain plantings at 2.58 million acres, down 131,000 from a year earlier's near record. In contrast, combined medium/short grain plantings are estimated at 668,000 acres, an increase of 47,000 from 2001, with California accounting for almost all of the increase.

Sorghum area is estimated at 9.3 million acres in 2002, down 9 percent from a year earlier. Dry conditions are a partial explanation for low sorghum plantings this year, but more sorghum may be planted on acres where other crops failed if sufficient moisture is available. Acreage in Kansas and Texas, the largest producing states, are both expected to decline in 2002. Texas acreage is estimated at 3 million acres, down 500,000 from last year. Kansas acreage is estimated at 3.9 million acres, down 100,000 from 2001. Sorghum area harvested for grain is estimated at 7.9 million acres, down from 8.6 million last year. 2002 sorghum area is up 275,000 acres from the March intentions report. This increase is caused by more sorghum being planted in Texas and Kansas than earlier intentions, which was likely on land originally planted to wheat.

Barley acreage is estimated at 5 million acres, up 1.6 percent from last year's record low. North Dakota and Montana, the largest producing states, each increased 100,000 acres from last year. Planting is expected to be 1.6 million acres and 1.2 million acres in North Dakota and Montana, respectively. Barley planting is down 30,000 acres from March intentions. Cool May temperatures hindered development, although temperatures increased in June. As of June 23, 15 percent of the barley crop had headed compared with 20 percent the previous year—the 5-year average is 24 percent.

Oats area is estimated at 5.1 million acres, up 682,000 from a year earlier. High oats prices last year, brought on by low world supplies of high-quality milling oats, are behind this increase in planted area. Compared with the March intentions report, oats area is expected to be down nearly 1 percent. AO

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Want more info?

USDA's June *Acreage* report
http://usda.mannlib.cornell.edu/reports/nassr/field/pcp-bba/acrg0602.pdf

USDA's March 28 *Prospective Plantings* report
http://usda.mannlib.cornell.edu/reports/nassr/field/pcp-bbp/pspl0302.pdf

August Releases—National Agricultural Statistics Service

The following reports are issued electronically at 3 p.m. (ET) unless otherwise indicated.
www.ers.usda.gov/nass/pubs/pubs.htm

August

2 *Dairy Products Prices (8:30 a.m.)*
Milkfat Prices (8:30 a.m.)
Agricultural Land Values
Egg Products
Poultry Slaughter
5 *Dairy Products*
Crop Progress (4 p.m.)
6 *Weather - Crop Summary (noon)*
7 *Broiler Hatchery*
9 *Dairy Products Prices (8:30 a.m.)*
12 *Cotton Ginnings (8:30 a.m.)*
Crop Production (8:30 a.m.)
Crop Progress (4 p.m.)
13 *Weather - Crop Summary (noon)*
14 *Broiler Hatchery*
Turkey Hatchery
15 *Milk Production*
16 *Dairy Products Prices (8:30 a.m.)*
Milkfat Prices (8:30 a.m.)
Cattle on Feed
Farm Labor
Mushrooms
19 *Cold Storage*
Crop Progress (4 p.m.)
20 *Weather - Crop Summary (noon)*
Cranberries (tent.)
21 *Broiler Hatchery*
22 *U.S. and Canadian Cattle (noon)*
Catfish Processing
13 *Dairy Products Prices (8:30 a.m.)*
Chickens and Eggs
Livestock Slaughter
Turkeys Raised
Monthly Agnews
26 *Crop Progress (4 p.m.)*
27 *Weather - Crop Summary (noon)*
28 *Rice Stocks (8:30 a.m.)*
Broiler Hatchery
29 *Peanut Stocks and Processing*
30 *Dairy Products Prices (8:30 a.m.)*
Milkfat Prices (8:30 a.m.)
Agricultural Prices
Monthly Hogs and Pigs